AMENDED IN SENATE JULY 2, 2013 AMENDED IN ASSEMBLY APRIL 23, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 1290

Introduced by Assembly Member John A. Pérez

February 22, 2013

An act to amend Sections 14502, 14504, 14506, 14522, 14522.3, 14536, 65080, and 65082 of the Government Code, and to amend Section 75125 of the Public Resources Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1290, as amended, John A. Pérez. Transportation planning.

Existing law creates the California Transportation Commission, with various powers and duties relative to the programming of transportation capital projects and allocation of funds to those projects, pursuant to the state transportation improvement program and various other transportation funding programs. Existing law provides that the commission consists of 13 members, including 11 voting members, of which 9 are appointed by the Governor subject to Senate confirmation and 2 are appointed by the Legislature. In addition, 2 members of the Legislature are appointed as ex officio members without vote.

This bill would provide for 2 additional voting members of the commission to be appointed by the Legislature. The bill would also provide for the Secretary of the Transportation Agency, the Chairperson of the State Air Resources Board, and the Director of Housing and Community Development to serve as ex officio members without vote.

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Existing law requires the Governor, in appointing members to the California Transportation Commission, to make every effort to assure that there is a geographic balance of representation on the commission.

This bill would also require the Governor each appointing power to make every effort to assure that expertise in the transportation community that has not traditionally been represented on the commission is reflected in future appointments to the commission, with a particular emphasis on stakeholders involved and engaged in, among other things, efforts to make California's transportation system more sustainable.

Existing law provides for the commission to organize itself into various committees, including the Committee on Planning, which, among other things, is responsible for monitoring the transportation planning and programming process.

This bill would provide that the commission's Committee on Planning is also responsible for monitoring outcomes from land development and transportation investments in accordance with the sustainable communities strategy required to be adopted by transportation planning agencies as part of the regional transportation plan.

Existing law authorizes the commission to prescribe study areas for analysis and evaluation by transportation planning agencies, and guidelines for the preparation of regional transportation plans, in cooperation with those agencies.

This bill would require the commission to biennially prescribe and receive a brief report from each transportation planning agency, beginning on or before October 15, 2014, describing progress in implementing the sustainable communities strategy and in attaining greenhouse gas emission reductions. The bill would require each transportation planning agency's report to include an assessment of the regions's progress made, along with any challenges facing the region, with respect to its ability to implement policies and projects set forth in the sustainable communities strategy. The bill would provide that the report shall not be binding on future regional transportation plans or funding decisions, as specified. The bill would also provide that the report shall not constitute an alternative under, or a foundation for, future analysis under the California Environmental Quality Act.

Existing law requires the commission to prepare and submit an annual report to the Legislature on various topics.

This bill would require the annual report to include a summary of the assessment of the commission and the Strategic Growth Council of progress around the state toward state objectives of greenhouse gas

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emission reductions, from patterns of ongoing land development and transportation investments.

Existing law requires each transportation planning agency, on a biennial basis, to prepare and submit to the commission a regional transportation improvement program containing transportation capital projects identified for funding through the next cycle of the 5-year state transportation improvement program.

This bill would require the regional transportation improvement program to include a discussion of how the program relates to the region's adopted sustainable communities strategy.

Existing law creates the Strategic Growth Council consisting of various state agencies, with certain powers and duties relative to the identification and review of activities and funding programs of those agencies in order to achieve specified objectives.

This bill would require the council to identify activities, programs, and local assistance funding of its member agencies that have a significant effect on the implementation of sustainable communities strategies. The bill would require each member agency to be notified of those matters, and would require each member agency to report annually to the California Transportation Commission on steps that it has taken to ensure that its policies, activities, programs, and local assistance funding help attain greenhouse gas emission reduction targets, among other things in that regard.

By imposing additional requirements on transportation planning agencies, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14502 of the Government Code is 2 amended to read:

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1 14502. The commission consists of 18 members appointed as 2 follows:

- (a) Nine members shall be appointed by the Governor with the advice and consent of the Senate. Two members shall be appointed by the Speaker of the Assembly and two members shall be appointed by the Senate Committee on Rules, with none of these members subject to confirmation by the Senate. A member appointed pursuant to this subdivision shall not simultaneously hold an elected public office, or serve on any local or regional public board or commission with business before the commission.
- (b) (1) One Member of the Senate appointed by the Senate Committee on Rules and one Member of the Assembly appointed by the Speaker of the Assembly shall be ex officio members without vote and shall participate in the activities of the commission to the extent that such participation is not incompatible with their positions as Members of the Legislature.
- (2) The Secretary of the Transportation Agency, the Chairperson of the State Air Resources Board, and the Director of Housing and Community Development shall be ex officio members without vote and shall participate in the activities of the commission to the extent that such participation is not incompatible with their positions in the executive branch.
- (c) Notwithstanding any other provision of law, a voting member of the commission may serve on the High-Speed Rail Authority as established in Division 19.5 (commencing with Section 185000) of the Public Utilities Code.
- SEC. 2. Section 14504 of the Government Code is amended to read:
- 14504. In appointing members, the Governor shall make every effort to assure that there is a geographic balance of representation on the commission as a whole, with members from the northern and southern areas and from the urban and rural areas of the state.
- The Governor, the Speaker of the Assembly, and the Senate Committee on Rules shall—also make every effort to assure that transportation expertise that has not traditionally been represented on the commission is reflected in appointments to the commission, with a particular emphasis on stakeholders involved and engaged in, among other things, efforts to make California's transportation system more sustainable.
- Each member of the commission shall represent the state at large.

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SEC. 3. Section 14506 of the Government Code is amended to read:

- 14506. In order to perform its duties and functions, the commission shall organize itself into at least the following four committees:
- (a) The Committee on Aeronautics, which shall consider issues related to aeronautics.
- (b) The Committee on Streets and Highways, which shall consider issues related to streets and highways.
- (c) The Committee on Mass Transportation, which shall consider issues related to the movement of groups of people within urban areas, and between rural communities and between cities.
- (d) The Committee on Planning, which shall be responsible for transportation planning related issues, including, but not limited to, monitoring the transportation planning and programming process and monitoring outcomes from land development and transportation investments in accordance with sustainable communities strategies pursuant to Chapter 2.5 (commencing with Section 65080) of Division 1 of Title 7 and recommending to the commission the allocation of federal and state funds available for planning and research.
- SEC. 4. Section 14522 of the Government Code is amended to read:
- 14522. (a) In cooperation with the regional transportation planning agencies, the commission may prescribe study areas for analysis and evaluation by such agencies and guidelines for the preparation of the regional transportation plans.
- (b) The commission shall prescribe and, on or before October 15 of each even-numbered year beginning in 2014, receive, from regional transportation planning agencies required to prepare a sustainable communities strategy, a brief report describing progress in implementing sustainable communities strategies and attaining state greenhouse gas emission reductions, pursuant to subdivision (e) of Section 65080. After receiving the second set of reports due in October 2016, the commission may, after consulting with transportation planning agencies, prepare guidelines to ensure that these reports are concise, coherent, focused on state objectives, and comparable across the state.
- 39 SEC. 5. Section 14522.3 of the Government Code is amended 40 to read:

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1 14522.3. The commission shall include in an attachment to 2 each revision of its guidelines prescribed pursuant to Section 14522 3 a summary of the policies, practices, or projects that have been 4 employed by metropolitan planning organizations that promote 5 health and health equity, for the purpose of sharing ideas among transportation planning agencies. The summary attachment may 6 include, but is not limited to, projects that implement any Safe 8 Routes to Schools program, established pursuant to Section 2333.5 of the Streets and Highways Code, multiuse recreational trails, pedestrian and bicyclist pathways, and programs that serve 10 transportation needs in rural communities. 11 12

- SEC. 6. Section 14536 of the Government Code is amended to read:
- 14536. (a) The annual report shall include an explanation and summary of major policies and decisions adopted by the commission during the previously completed state and federal fiscal year, with an explanation of any changes in policy associated with the performance of its duties and responsibilities over the past year.
- (b) The annual report shall include a summary of the assessment of the commission and the Strategic Growth Counsel, in collaboration, of progress around the state toward state objectives of greenhouse gas emission reductions, from patterns of ongoing land developments and transportation investments. That assessment shall be informed by the biennial reports submitted to the commission by regional transportation planning agencies pursuant to subdivision (b) of Section 14522 and subdivision (e) of Section 65080, and reports submitted by state agencies pursuant to Section 75125 of the Public Resources Code. The commission may also submit a selection or all of those reports as an appendix to its annual report if it finds that to be necessary for a full understanding of progress.
- (c) The annual report may also include a discussion of any significant upcoming transportation issues anticipated to be of concern to the public and the Legislature.
- SEC. 7. Section 65080 of the Government Code is amended 36 to read:
- 38 65080. (a) Each transportation planning agency designated 39 under Section 29532 or 29532.1 shall prepare and adopt a regional 40 transportation plan directed at achieving a coordinated and balanced

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regional transportation system, including, but not limited to, mass 1 2 transportation, highway, railroad, maritime, bicycle, pedestrian, 3 goods movement, and aviation facilities and services. The plan 4 shall be action-oriented and pragmatic, considering both the 5 short-term and long-term future, and shall present clear, concise 6 policy guidance to local and state officials. The regional transportation plan shall consider factors specified in Section 134 of Title 23 of the United States Code. Each transportation planning agency shall consider and incorporate, as appropriate, the 10 transportation plans of cities, counties, districts, private organizations, and state and federal agencies. 11

- (b) The regional transportation plan shall be an internally consistent document and shall include all of the following:
- (1) A policy element that describes the transportation issues in the region, identifies and quantifies regional needs, and describes the desired short-range and long-range transportation goals, and pragmatic objective and policy statements. The objective and policy statements shall be consistent with the funding estimates of the financial element. The policy element of transportation planning agencies with populations that exceed 200,000 persons may quantify a set of indicators including, but not limited to, all of the following:
- (A) Measures of mobility and traffic congestion, including, but not limited to, daily vehicle hours of delay per capita and vehicle miles traveled per capita.
- (B) Measures of road and bridge maintenance and rehabilitation needs, including, but not limited to, roadway pavement and bridge conditions.
- 29 (C) Measures of means of travel, including, but not limited to, 30 percentage share of all trips (work and nonwork) made by all of 31 the following:
 - (i) Single occupant vehicle.
 - (ii) Multiple occupant vehicle or carpool.
- 34 (iii) Public transit including commuter rail and intercity rail.
- 35 (iv) Walking.

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- 36 (v) Bicycling.
- 37 (D) Measures of safety and security, including, but not limited 38 to, total injuries and fatalities assigned to each of the modes set
- 39 forth in subparagraph (C).

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(E) Measures of equity and accessibility, including, but not limited to, percentage of the population served by frequent and reliable public transit, with a breakdown by income bracket, and percentage of all jobs accessible by frequent and reliable public transit service, with a breakdown by income bracket.

- (F) The requirements of this section may be met utilizing existing sources of information. No additional traffic counts, household surveys, or other sources of data shall be required.
- (2) A sustainable communities strategy prepared by each metropolitan planning organization as follows:
- (A) No later than September 30, 2010, the State Air Resources Board shall provide each affected region with greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035, respectively.
- (i) No later than January 31, 2009, the state board shall appoint a Regional Targets Advisory Committee to recommend factors to be considered and methodologies to be used for setting greenhouse gas emission reduction targets for the affected regions. The committee shall be composed of representatives of the metropolitan planning organizations, affected air districts, the League of California Cities, the California State Association of Counties, local transportation agencies, and members of the public, including homebuilders, environmental organizations, planning organizations, environmental justice organizations, affordable organizations, and others. The advisory committee shall transmit a report with its recommendations to the state board no later than September 30, 2009. In recommending factors to be considered and methodologies to be used, the advisory committee may consider any relevant issues, including, but not limited to, data needs, modeling techniques, growth forecasts, the impacts of regional jobs-housing balance on interregional travel and greenhouse gas emissions, economic and demographic trends, the magnitude of greenhouse gas reduction benefits from a variety of land use and transportation strategies, and appropriate methods to describe regional targets and to monitor performance in attaining those targets. The state board shall consider the report prior to setting the targets.
- (ii) Prior to setting the targets for a region, the state board shall exchange technical information with the metropolitan planning organization and the affected air district. The metropolitan planning

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organization may recommend a target for the region. The metropolitan planning organization shall hold at least one public workshop within the region after receipt of the report from the advisory committee. The state board shall release draft targets for each region no later than June 30, 2010.

- (iii) In establishing these targets, the state board shall take into account greenhouse gas emission reductions that will be achieved by improved vehicle emission standards, changes in fuel composition, and other measures it has approved that will reduce greenhouse gas emissions in the affected regions, and prospective measures the state board plans to adopt to reduce greenhouse gas emissions from other greenhouse gas emission sources as that term is defined in subdivision (i) of Section 38505 of the Health and Safety Code and consistent with the regulations promulgated pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code).
- (iv) The state board shall update the regional greenhouse gas emission reduction targets every eight years consistent with each metropolitan planning organization's timeframe for updating its regional transportation plan under federal law until 2050. The state board may revise the targets every four years based on changes in the factors considered under clause (iii). The state board shall exchange technical information with the Department of Transportation, metropolitan planning organizations, local governments, and affected air districts and engage in a consultative process with public and private stakeholders prior to updating these targets.
- (v) The greenhouse gas emission reduction targets may be expressed in gross tons, tons per capita, tons per household, or in any other metric deemed appropriate by the state board.
- (B) Each metropolitan planning organization shall prepare a sustainable communities strategy, subject to the requirements of Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, including the requirement to utilize the most recent planning assumptions considering local general plans and other factors. The sustainable communities strategy shall (i) identify the general location of uses, residential densities, and building intensities within the region, (ii) identify areas within the region sufficient to house all the population of the region, including

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all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation, and employment growth, (iii) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584, (iv) identify a transportation network to service the transportation needs of the region, (v) gather and consider the best practically available scientific information regarding resource areas and farmland in the region as defined in subdivisions (a) and (b) of Section 65080.01, (vi) consider the state housing goals specified in Sections 65580 and 65581, (vii) set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the state board, and (viii) allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506).

- (C) (i) Within the jurisdiction of the Metropolitan Transportation Commission, as defined by Section 66502, the Association of Bay Area Governments shall be responsible for clauses (i), (ii), (iii), (v), and (vi) of subparagraph—(B); the Metropolitan Transportation Commission shall be responsible for clauses (iv) and (viii) of subparagraph (B); and the Association of Bay Area Governments and the Metropolitan Transportation Commission shall jointly be responsible for clause (vii) of subparagraph (B).
- (ii) Within the jurisdiction of the Tahoe Regional Planning Agency, as defined in Sections 66800 and 66801, the Tahoe Metropolitan Planning Organization shall use the Regional Plan for the Lake Tahoe Region as the sustainable community strategy, provided that it complies with clauses (vii) and (viii) of subparagraph (B).
- (D) In the region served by the multicounty transportation planning agency described in Section 130004 of the Public Utilities Code, a subregional council of governments and the county transportation commission may work together to propose the sustainable communities strategy and an alternative planning strategy, if one is prepared pursuant to subparagraph (I), for that

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subregional area. The metropolitan planning organization may adopt a framework for a subregional sustainable communities strategy or a subregional alternative planning strategy to address the intraregional land use, transportation, economic, air quality, and climate policy relationships. The metropolitan planning organization shall include the subregional sustainable communities strategy for that subregion in the regional sustainable communities strategy to the extent consistent with this section and federal law and approve the subregional alternative planning strategy, if one is prepared pursuant to subparagraph (I), for that subregional area to the extent consistent with this section. The metropolitan planning organization shall develop overall guidelines, create public participation plans pursuant to subparagraph (F), ensure coordination, resolve conflicts, make sure that the overall plan complies with applicable legal requirements, and adopt the plan for the region.

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- (E) The metropolitan planning organization shall conduct at least two informational meetings in each county within the region for members of the board of supervisors and city councils on the sustainable communities strategy and alternative planning strategy, if any. The metropolitan planning organization may conduct only one informational meeting if it is attended by representatives of the county board of supervisors and city council members representing a majority of the cities representing a majority of the population in the incorporated areas of that county. Notice of the meeting or meetings shall be sent to the clerk of the board of supervisors and to each city clerk. The purpose of the meeting or meetings shall be to discuss the sustainable communities strategy and the alternative planning strategy, if any, including the key land use and planning assumptions to the members of the board of supervisors and the city council members in that county and to solicit and consider their input and recommendations.
- (F) Each metropolitan planning organization shall adopt a public participation plan, for development of the sustainable communities strategy and an alternative planning strategy, if any, that includes all of the following:
- (i) Outreach efforts to encourage the active participation of a broad range of stakeholder groups in the planning process, consistent with the agency's adopted Federal Public Participation Plan, including, but not limited to, affordable housing advocates,

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transportation advocates, neighborhood and community groups,
 environmental advocates, home builder representatives,
 broad-based business organizations, landowners, commercial
 property interests, and homeowner associations.

- (ii) Consultation with congestion management agencies, transportation agencies, and transportation commissions.
- (iii) Workshops throughout the region to provide the public with the information and tools necessary to provide a clear understanding of the issues and policy choices. At least one workshop shall be held in each county in the region. For counties with a population greater than 500,000, at least three workshops shall be held. Each workshop, to the extent practicable, shall include urban simulation computer modeling to create visual representations of the sustainable communities strategy and the alternative planning strategy.
- (iv) Preparation and circulation of a draft sustainable communities strategy and an alternative planning strategy, if one is prepared, not less than 55 days before adoption of a final regional transportation plan.
- (v) At least three public hearings on the draft sustainable communities strategy in the regional transportation plan and alternative planning strategy, if one is prepared. If the metropolitan transportation organization consists of a single county, at least two public hearings shall be held. To the maximum extent feasible, the hearings shall be in different parts of the region to maximize the opportunity for participation by members of the public throughout the region.
- (vi) A process for enabling members of the public to provide a single request to receive notices, information, and updates.
- (G) In preparing a sustainable communities strategy, the metropolitan planning organization shall consider spheres of influence that have been adopted by the local agency formation commissions within its region.
- (H) Prior to adopting a sustainable communities strategy, the metropolitan planning organization shall quantify the reduction in greenhouse gas emissions projected to be achieved by the sustainable communities strategy and set forth the difference, if any, between the amount of that reduction and the target for the region established by the state board.

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(I) If the sustainable communities strategy, prepared in compliance with subparagraph (B) or (D), is unable to reduce greenhouse gas emissions to achieve the greenhouse gas emission reduction targets established by the state board, the metropolitan planning organization shall prepare an alternative planning strategy to the sustainable communities strategy showing how those greenhouse gas emission targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. The alternative planning strategy shall be a separate document from the regional transportation plan, but it may be adopted concurrently with the regional transportation plan. In preparing the alternative planning strategy, the metropolitan planning organization:

- (i) Shall identify the principal impediments to achieving the targets within the sustainable communities strategy.
- (ii) May include an alternative development pattern for the region pursuant to subparagraphs (B) to (G), inclusive.
- (iii) Shall describe how the greenhouse gas emission reduction targets would be achieved by the alternative planning strategy, and why the development pattern, measures, and policies in the alternative planning strategy are the most practicable choices for achievement of the greenhouse gas emission reduction targets.
- (iv) An alternative development pattern set forth in the alternative planning strategy shall comply with Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, except to the extent that compliance will prevent achievement of the greenhouse gas emission reduction targets approved by the state board.
- (v) For purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), an alternative planning strategy shall not constitute a land use plan, policy, or regulation, and the inconsistency of a project with an alternative planning strategy shall not be a consideration in determining whether a project may have an environmental effect.
- (J) (i) Prior to starting the public participation process adopted pursuant to subparagraph (F), the metropolitan planning organization shall submit a description to the state board of the technical methodology it intends to use to estimate the greenhouse gas emissions from its sustainable communities strategy and, if

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appropriate, its alternative planning strategy. The state board shall respond to the metropolitan planning organization in a timely manner with written comments about the technical methodology, including specifically describing any aspects of that methodology it concludes will not yield accurate estimates of greenhouse gas emissions, and suggested remedies. The metropolitan planning organization is encouraged to work with the state board until the state board concludes that the technical methodology operates accurately.

- (ii) After adoption, a metropolitan planning organization shall submit a sustainable communities strategy or an alternative planning strategy, if one has been adopted, to the state board for review, including the quantification of the greenhouse gas emission reductions the strategy would achieve and a description of the technical methodology used to obtain that result. Review by the state board shall be limited to acceptance or rejection of the metropolitan planning organization's determination that the strategy submitted would, if implemented, achieve the greenhouse gas emission reduction targets established by the state board. The state board shall complete its review within 60 days.
- (iii) If the state board determines that the strategy submitted would not, if implemented, achieve the greenhouse gas emission reduction targets, the metropolitan planning organization shall revise its strategy or adopt an alternative planning strategy, if not previously adopted, and submit the strategy for review pursuant to clause (ii). At a minimum, the metropolitan planning organization must obtain state board acceptance that an alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets established for that region by the state board.
- (K) Neither a sustainable communities strategy nor an alternative planning strategy regulates the use of land, nor, except as provided by subparagraph (J), shall either one be subject to any state approval. Nothing in a sustainable communities strategy shall be interpreted as superseding the exercise of the land use authority of cities and counties within the region. Nothing in this section shall be interpreted to limit the state board's authority under any other provision of law. Nothing in this section shall be interpreted to authorize the abrogation of any vested right whether created by statute or by common law. Nothing in this section shall require a

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city's or county's land use policies and regulations, including its general plan, to be consistent with the regional transportation plan or an alternative planning strategy. Nothing in this section requires a metropolitan planning organization to approve a sustainable communities strategy that would be inconsistent with Part 450 of Title 23 of, or Part 93 of Title 40 of, the Code of Federal Regulations and any administrative guidance under those regulations. Nothing in this section relieves a public or private entity or any person from compliance with any other local, state, or federal law.

(L) Nothing in this section requires projects programmed for funding on or before December 31, 2011, to be subject to the provisions of this paragraph if they (i) are contained in the 2007 or 2009 Federal Statewide Transportation Improvement Program, (ii) are funded pursuant to Chapter 12.49 (commencing with Section 8879.20) of Division 1 of Title 2, or (iii) were specifically listed in a ballot measure prior to December 31, 2008, approving a sales tax increase for transportation projects. Nothing in this section shall require a transportation sales tax authority to change the funding allocations approved by the voters for categories of transportation projects in a sales tax measure adopted prior to December 31, 2010. For purposes of this subparagraph, a transportation sales tax authority is a district, as defined in Section 7252 of the Revenue and Taxation Code, that is authorized to impose a sales tax for transportation purposes.

(M) A metropolitan planning organization, or a regional transportation planning agency not within a metropolitan planning organization, that is required to adopt a regional transportation plan not less than every five years, may elect to adopt the plan not less than every four years. This election shall be made by the board of directors of the metropolitan planning organization or regional transportation planning agency no later than June 1, 2009, or thereafter 54 months prior to the statutory deadline for the adoption of housing elements for the local jurisdictions within the region, after a public hearing at which comments are accepted from members of the public and representatives of cities and counties within the region covered by the metropolitan planning organization or regional transportation planning agency. Notice of the public hearing shall be given to the general public and by mail to cities and counties within the region no later than 30 days

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prior to the date of the public hearing. Notice of election shall be promptly given to the Department of Housing and Community Development. The metropolitan planning organization or the regional transportation planning agency shall complete its next regional transportation plan within three years of the notice of election.

- (N) Two or more of the metropolitan planning organizations for Fresno County, Kern County, Kings County, Madera County, Merced County, San Joaquin County, Stanislaus County, and Tulare County may work together to develop and adopt multiregional goals and policies that may address interregional land use, transportation, economic, air quality, and climate relationships. The participating metropolitan planning organizations may also develop a multiregional sustainable communities strategy, to the extent consistent with federal law, or an alternative planning strategy for adoption by the metropolitan planning organizations. Each participating metropolitan planning organization shall consider any adopted multiregional goals and policies in the development of a sustainable communities strategy and, if applicable, an alternative planning strategy for its region.
- (3) An action element that describes the programs and actions necessary to implement the plan and assigns implementation responsibilities. The action element may describe all transportation projects proposed for development during the 20-year or greater life of the plan. The action element shall consider congestion management programming activities carried out within the region.
- (4) (A) A financial element that summarizes the cost of plan implementation constrained by a realistic projection of available revenues. The financial element shall also recommendations for allocation of funds. A county transportation commission created pursuant to Section 130000 of the Public Utilities Code shall be responsible for recommending projects to be funded with regional improvement funds, if the project is consistent with the regional transportation plan. The first five years of the financial element shall be based on the five-year estimate of funds developed pursuant to Section 14524. The financial element may recommend the development of specified new sources of revenue, consistent with the policy element and action element.
- (B) The financial element of transportation planning agencies with populations that exceed 200,000 persons may include a project

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1 cost breakdown for all projects proposed for development during 2 the 20-year life of the plan that includes total expenditures and 3 related percentages of total expenditures for all of the following:

(i) State highway expansion.

- (ii) State highway rehabilitation, maintenance, and operations.
- (iii) Local road and street expansion.
- (iv) Local road and street rehabilitation, maintenance, and operation.
 - (v) Mass transit, commuter rail, and intercity rail expansion.
- (vi) Mass transit, commuter rail, and intercity rail rehabilitation, maintenance, and operations.
 - (vii) Pedestrian and bicycle facilities.
- 13 (viii) Environmental enhancements and mitigation.
 - (ix) Research and planning.
 - (x) Other categories.
 - (C) The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall consider financial incentives for cities and counties that have resource areas or farmland, as defined in Section 65080.01, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road system and farm-to-market and interconnectivity transportation needs. The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute toward the greenhouse gas emission reduction targets by implementing policies for growth to occur within their cities.
 - (c) Each transportation planning agency may also include other factors of local significance as an element of the regional transportation plan, including, but not limited to, issues of mobility for specific sectors of the community, including, but not limited to, senior citizens.
 - (d) Except as otherwise provided in this subdivision, each transportation planning agency shall adopt and submit, every four years, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. A transportation planning agency located in a federally designated air quality attainment area or that does not contain an urbanized area may at its option adopt and submit a regional transportation

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plan every five years. When applicable, the plan shall be consistent with federal planning and programming requirements and shall conform to the regional transportation plan guidelines adopted by the California Transportation Commission. Prior to adoption of the regional transportation plan, a public hearing shall be held after the giving of notice of the hearing by publication in the affected county or counties pursuant to Section 6061.

- (e) (1) Each regional transportation planning agency that prepares a sustainable communities strategy pursuant to paragraph (2) of subdivision (b) shall prepare and submit, biennially, starting on or before October 15, 2014, to the California Transportation Commission, a brief report describing the regions's progress in implementing its sustainable communities strategy. The report shall include an assessment of progress made, along with any challenges the region is facing, with respect to its ability to implement policies and projects that were set forth in its sustainable communities strategy. In the region served by the multicounty transportation planning agency described in Section 130004 of the Public Utilities Code, the report shall be prepared for each subregional area using a similar process to the process outlined in subparagraph (D) of paragraph (2) of subdivision (b), as it applies to development of the sustainable communities strategy or alternative planning strategy.
- (2) The report submitted pursuant to paragraph (1) and any provision contained in the report shall not be binding on future regional transportation plans prepared, or funding decisions made, by the regional transportation planning agency or a county transportation commission, and shall not constitute an alternative under, or a foundation for, future analysis under the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).
- 32 SEC. 8. Section 65082 of the Government Code is amended to read:
- 65082. (a) (1) A five-year regional transportation improvement program shall be prepared, adopted, and submitted to the California Transportation Commission on or before December 15 of each odd-numbered year thereafter, updated every two years, pursuant to Sections 65080 and 65080.5 and the guidelines adopted pursuant to Section 14530.1, to include regional transportation improvement

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projects and programs proposed to be funded, in whole or in part, in the state transportation improvement program.

- (2) Major projects shall include current costs updated as of November 1 of the year of submittal and escalated to the appropriate year, and be listed by relative priority, taking into account need, delivery milestone dates, and the availability of funding.
- (b) Except for those counties that do not prepare a congestion management program pursuant to Section 65088.3, congestion management programs adopted pursuant to Section 65089 shall be incorporated into the regional transportation improvement program submitted to the commission by December 15 of each odd-numbered year.
- (c) Local projects not included in a congestion management program shall not be included in the regional transportation improvement program. Projects and programs adopted pursuant to subdivision (a) shall be consistent with the capital improvement program adopted pursuant to paragraph (5) of subdivision (b) of Section 65089, and the guidelines adopted pursuant to Section 14530.1.
- (d) Other projects may be included in the regional transportation improvement program if listed separately.
- (e) Unless a county not containing urbanized areas of over 50,000 population notifies the Department of Transportation by July 1 that it intends to prepare a regional transportation improvement program for that county, the department shall, in consultation with the affected local agencies, prepare the program for all counties for which it prepares a regional transportation plan.
- (f) The requirements for incorporating a congestion management program into a regional transportation improvement program specified in this section do not apply in those counties that do not prepare a congestion management program in accordance with Section 65088.3.
- (g) The regional transportation improvement program may include a reserve of county shares for providing funds in order to match federal funds.
- (h) The regional transportation improvement program shall include a discussion of how it relates to the region's sustainable communities strategy adopted pursuant to paragraph (2) of

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subdivision (b) of Section 65080, for those regions required to prepare a sustainable communities strategy.

SEC. 9. Section 75125 of the Public Resources Code is amended to read:

75125. The council shall do all of the following:

- (a) Identify and review activities and funding programs of member state agencies that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner. The council shall identify activities, programs, and local assistance funding of member agencies that have a significant effect on implementation of sustainable communities strategies pursuant to Chapter 2.5 (commencing with section 65080) of Division 1 of Title 7 of the Government Code, notify member agencies of the activities, programs, and local assistance funding so identified, and require each member agency so notified to report annually by August 15, at a public hearing, to the council and to the California Transportation Commission on the steps it has taken to ensure that its policies, activities, programs and local assistance funding help attain greenhouse gas emission reduction targets, and to explain in the context of the agency's missions any statutory constraints that prevent the agency from pursuing policies, activities, programs, and local assistance funding that would help attain those greenhouse gas emission reduction targets in that regard. The council shall also review and comment on the five-year infrastructure plan developed pursuant to Article 2 (commencing with Section 13100) of Chapter 2 of Part 3 of Division 3 of the Government Code and the State Environmental Goals and Policy Report developed pursuant to Section 65041 of the Government Code.
- (b) Recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate state agencies to encourage the development of sustainable communities, such as those communities that promote equity, strengthen the economy, protect the environment, and promote public health and safety, consistent with subdivisions (a) and (c) of Section 75065.

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(c) Provide, fund, and distribute data and information to local governments and regional agencies that will assist in developing and planning sustainable communities.

- (d) Manage and award grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129. To implement this subdivision, the council may do all of the following:
- (1) Develop guidelines for awarding financial assistance, including criteria for eligibility and additional consideration.
- (2) Develop criteria for determining the amount of financial assistance to be awarded. The council shall award a revolving loan to an applicant for a planning project, unless the council determines that the applicant lacks the fiscal capacity to carry out the project without a grant. The council may establish criteria that would allow the applicant to illustrate an ongoing commitment of financial resources to ensure the completion of the proposed plan or project.
- (3) Provide for payments of interest on loans made pursuant to this article. The rate of interest shall not exceed the rate earned by the Pooled Money Investment Board.
- (4) Provide for the time period for repaying a loan made pursuant to this article.
- (5) Provide for the recovery of funds from an applicant that fails to complete the project for which financial assistance was awarded. The council shall direct the Controller to recover funds by any available means.
 - (6) Provide technical assistance for application preparation.
- (7) Designate a state agency or department to administer technical and financial assistance programs for the disbursing of grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129.
- (e) No later than July 1, 2010, and every year thereafter, provide a report to the Legislature that shall include, but is not limited to, all of the following:
 - (1) A list of applicants for financial assistance.
 - (2) Identification of which applications were approved.
- 37 (3) The amounts awarded for each approved application.
 - (4) The remaining balance of available funds.
- 39 (5) A report on the proposed or ongoing management of each 40 funded project.

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1 (6) Any additional minimum requirements and priorities for a 2 project or plan proposed in a grant or loan application developed 3 and adopted by the council pursuant to subdivision (c) of Section 4 75126.

SEC. 10. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.